



# Notes for FORM D

## LIFETIME ALLOWANCE: DECLARATION FORM

### NOTES TO HELP YOU WHEN COMPLETING THIS DECLARATION

**You must provide a complete and accurate response to this declaration. If you make a false statement or representation whether fraudulently or negligently, you may become liable to a penalty from HM Revenue & Customs (HMRC).**

The test against the Standard Lifetime Allowance (SLA) which for the tax year 2011/2012 is £1.8 million is to work out if you have to pay any tax to HMRC before receiving your pension benefit (the SLA will remain at £1.8 million until the tax year 2012/2013 when it will reduce to £1.5 million). This test applies to the total value of all the benefits you, as an individual, may have from all your pension arrangements. This includes all those pensions you are already receiving and any you are starting now. This does not include the following:

- State pension benefits; or
- Any dependant's or civil partner's pension you may be receiving; or
- Any benefits due to start after this pension.

As a quick rule of thumb if you can say that the value of all your benefits is less than £1,000,000 or putting it another way, your combined annual pension after taking tax-free cash is less than £40,000, then you should be able to just sign the form without any more detailed work but it is your responsibility to check. If you want to know how to value your different types of benefit, please look at the table in the next section.

### How do you work out the value of your benefits for the test?

Type of Benefit	How to value
<b>Money Purchase</b> arrangement	Fund value only
Pensions already in payment before 6 April 2006	Multiply the <b>gross</b> annual pension by 25
Income drawdown already in payment before 6 April 2006	Multiply the maximum annual income by 20
Benefits that start on or after 6 April 2006	
– Tax-free lump sum (if chosen)	The amount of cash
– From <b>defined benefit pension</b> arrangement	Multiply the <b>gross</b> annual pension by 20
– From a pension bought from an insurance company	The purchase price of the annuity

**Gross** means before any tax has been taken off it.

**Defined benefit pension** means one where your final benefits are not dependent on the fund value but on a set formula. This is also commonly referred to as a Final Salary scheme.

**Money Purchase** means where your final benefits are dependent on the fund value and annuity rates at your retirement date.

Here is an example to help you work out the value of your benefits:

<b>Gross</b> annual pension in payment that started before 6 April 2006:	£ 5,000 (current value)
Tax-free lump sum:	£25,000
Purchase price of a pension bought from an insurance company:	£75,000

The value of these benefits is: (£5,000 X 25) + £25,000 + £75,000 = £225,000.

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If you want to do a more detailed analysis of your benefits just to make sure that you are under the Lifetime Allowance, there is more information and some worked examples on our website [www.windsor-life.com](http://www.windsor-life.com).

If after reading this information and the help on our website you are still unsure, then you may wish to consider seeking independent professional advice. Please note that this would be at your own expense. You may also wish to visit the dedicated member pages on the HMRC website [www.hmrc.gov.uk/manuals/rpsmanual](http://www.hmrc.gov.uk/manuals/rpsmanual) for more help in understanding how you may be affected.

## SECTION 1 – PERSONAL DETAILS

Please check that the details are correct in this section. If not, or not completed, please complete this section and initial any changes or entries.

## SECTION 2 – DECLARATION

This declaration section is important. Please make sure that you read it and the notes on the following:

- Enhanced, Primary or Fixed\* protection;
- Lifetime Allowance enhancement factor; and
- Reduced Standard Lifetime Allowance (SLA)

before you sign in section 3.

\* Fixed protection can only be registered between July 2011 and 5 April 2012

## ENHANCED, FIXED AND PRIMARY PROTECTION

Enhanced and Primary protection allows you to protect the total value of your pension policies across all registered pension schemes that you have accrued up to 5 April 2006.

If you have not previously registered for either Primary or Enhanced protection there is now an additional level of protection you may choose.

If your pension savings are currently above £1.5 million or you think they will grow to above £1.5 million you can apply for **Fixed Protection**. This will allow you to keep the higher level of SLA of £1.8 million. To be eligible for this you must stop paying into all registered pension schemes **before** 6 April 2012.

Please note Fixed protection can only be registered between July 2011 and 5 April 2012

For further information we recommend you contact your financial adviser.

**If you have not registered for, or are not going to register for, Primary, Fixed and/or Enhanced protection you can declare that you comply with Declaration 2.**

## LIFETIME ALLOWANCE ENHANCEMENT FACTOR

There are circumstances where your lifetime allowance may be more than the SLA. This increase comes from a number of defined factors that are called Lifetime Allowance enhancement factors.

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## Notes for **FORM D**

**If you have not registered for, or are not going to register for, a Lifetime Allowance enhancement factor you can declare that you comply with Declaration 3.**

For more information on what Enhanced, Fixed and Primary protection or Lifetime Allowance enhancement factor mean please refer to **Taking your pension** from within the Customer Services section on our website [www.windsor-life.com](http://www.windsor-life.com).

### **REDUCED SLA**

There are circumstances where your SLA might be reduced. This will generally occur if you have an unqualified right to take benefits before age 55.

**If you do not have a right to take benefits before age 55 you can declare that you comply with Declaration 4.**

**If the value of your pension benefits is over £1,000,000 or putting it another way, your combined annual pension after taking tax-free cash is more than £40,000, or if you are going to do any or all of the following:**

- **Register for either Enhanced, Fixed or Primary protection;**
- **Register for a Lifetime Allowance enhancement factor; or**
- **Take your benefits before age 55.**

**Please ask us for Form D1 - Lifetime Allowance detailed questionnaire. You will need to complete it.**

### **SECTION 3 – SIGNATURE OF POLICYHOLDER**

Please sign and date this section then return the form to us together with your other forms.



# FORM D

## Declaration of Lifetime Allowance

The information given on this form will be used to update and change your personal records, where the necessary evidence has been provided. The information provided will not be disclosed to third parties without your consent.

SECTION 1 – PERSONAL DETAILS	
Surname:	
Forenames:	
Policy No:	
National Insurance Number:	

SECTION 2 – DECLARATION OF STANDARD LIFETIME ALLOWANCE
<p><b>I declare the following:</b></p> <ol style="list-style-type: none"><li>1. That the aggregate value of all my pension benefits from any registered pension scheme taken in the past or at the same time as my vesting benefits from this policy will be less than or equal to the Standard Lifetime Allowance for the tax year that my retirement date from this plan(s) falls in.</li><li>2. I have not registered for Primary, Fixed and/or Enhanced protection with HM Revenue &amp; Customs.</li><li>3. I have not registered for a Lifetime Allowance enhancement factor with HM Revenue &amp; Customs.</li><li>4. I am not entitled to a reduced Standard Lifetime Allowance.</li></ol>

SECTION 3 – SIGNATURE OF POLICYHOLDER			
Signature :		Date:	
Print Name:			

PLEASE RETURN THIS FORM TO:

WINDSOR LIFE ASSURANCE COMPANY LIMITED, WINDSOR HOUSE, IRONMASTERS WAY, TELFORD, TF3 4NB.